AGENDA

Stadium Authority Meeting 99-500 Salt Lake Boulevard Aiea, Hawaii 96701 September 27, 2007

- I. Call to Order
- II. Approval of Minutes of August 23, 2007
- III. Monthly Report
 - A. Chairman's Report
 - B. Stadium Manager's Monthly Report
 - C. UHAD Monthly Report
 - D. Centerplate/Swap Meet Monthly Report
 - E. Hawaii Malls Inc. Monthly Report
- IV. Approval of Events
 - A. Kealoha Productions (Concert- Lower Halawa Parking Lot) October 20, 2007 (Saturday)
 - B. Hawaiian Hurricane (Concert- Aloha Stadium) December 29-30, 2007 (Saturday-Sunday)
 - C. Sports Car Club Association
 (Slalom Events-Lower Halawa Parking Lot)
 January 20, February 16, March 16, March 30, April 13, 2008
 (Sundays)
 - D. Hula Bowl (Collegiate Football All-Star Game- Aloha Stadium) January 12, 2008 (Saturday)
 - E. Girl Scouts of Hawaii (Cookie Distribution- Upper Halawa Parking Lot) March 6, 2008 (Thursday)

STADIUM AUTHORITY MEETING AGENDA September 27, 2007 Page 2

- F. Major League Coordinators Exhibition Baseball Games March 28-29, 2008 (Friday-Saturday)
- G. High School Graduations
 - 1. Radford High School May 30, 2008 (Friday)
 - 2. Kapolei High School June 2, 2008 (Monday)
 - 3. Campbell High School June 4, 2008 (Wednesday)
 - 4. Aiea High School June 6, 2008 (Friday)
- H. June Jones Foundation- Fantasy Football Game (Flag Football Game- Aloha Stadium)
 June 8, 2008 (Sunday)
- V. Unfinished Business- Discussion and Appropriate Action
 - A. Stadium Repair Work-Report on the progress of the stadium repair work.
 - B. Aloha Stadium Swap Meet- Report and discussion on the progress of hiring a consultant to review the operation and management of the Aloha Stadium Swap Meet.
- VI. New Business- Discussion and Appropriate Action
 - A. Enforcement of Tailgate Rules and Smoking Policy
 Discussion on the enforcement of current rules on Tailgating in the
 Stadium Parking Lot and Smoking Policy in the Stadium proper.
- VII. Next Meeting October 25, 2007
- VIII. Adjournment



An Agency of the State of Hawaii

Stadium Authority Meeting 99-500 Salt Lake Boulevard Aiea, Hawaii 96701 September 27, 2007

Members Present Kevin Chong Kee, Chairman Kay Ahina Marvin Fong Alexander Kane, Jr.

Members Absent Kathryn Inouye

Liane Nakagawa

Marcia Klompus Kenneth Marcus

Nelson Oyadomari Alan Tamayose

Staff

Scott Chan Lois Manin

Shawn Nagata Deborah Ishihara Engel Garcia Stephen Lee Vinny Browne

Andrew Chang

Others

John Dellera, Deputy Attorney General Russ Saito, DAGS Comptroller Roger Reeves, Centerplate Davy Maruyama, Centerplate Farah Cabrera, Centerplate Teri Chang, UH Athletics Wade Nakashima, Hawaiian Hurricane LLC David Chen, Swap Meet Vendor Troy Morioka, Sports Car Club of America

I. CALL TO ORDER

A quorum being present, Chairman Kevin Chong Kee called the meeting to order at 10:03 a.m.

II. APPROVAL OF MINUTES - AUGUST 23, 2007 MEETING
ON A MOTION BY MEMBER KAY AHINA AND SECONDED BY
MEMBER KENNETH MARCUS, THE BOARD UNANIMOUSLY
APPROVED THE MINUTES OF THE AUGUST 23, 2007 PUBLIC MEETING.

III. MONTHLY REPORT

A. Chairman's Report

Tailgating

Chairman Kevin Chong Kee stated there were many complaints concerning the tailgating and tents in the parking lot at the September 1, 2007, University of Hawaii (UH) football game. He also noted that Deputy Stadium Manager Lois Manin did an excellent job in addressing those complaints and educating the public (through the media), about the current tailgating rules at the Stadium.

UH Flag

A decision was made to fly the UH Warrior flag at all home games, effective September 22, 2007, as the result of a suggestion made by a UH fan.

Deed Restrictions

Chairman Chong Kee stated he and Stadium Manager Scott Chan met with Deputy Attorney General John Dellera on the current status of the Federal Deed Restrictions. They reviewed a survey map which showed: what is described as the Federal property, and what is considered to be State and City property. This will enable the Board and staff to identify what events are permissible at Aloha Stadium

Report by Deputy Attorney General John Dellera (map distributed) Mr. Dellera said the survey map was prepared by the DAGS Survey Division in 1975, when the Governor dedicated the property to Aloha Stadium. The Federal deed was delivered in 1970 and the metes and bounds description in the deed does not correspond with the survey map; and although it was difficult to identify the exact boundaries, he is confident that it is accurate.

Basically, parcels 2, 3A and 4 are described in the 1970 deed from the City and County to the State of Hawaii, which is the same as the property from the Federal Government to the City. That property is subject to the Federal Deed Restriction which requires that the property be used solely for public recreation. He provided a description of each parcel:

Minutes of Stadium Authority September 27, 2007 Page 3

Parcel 2

Kam Lot

Bus Lot

Strip of land on Kamehameha Highway, past the public housing (South of the Kam Lot)

Portion of Parking Sections 2, 3 and 4

Parcel 3A

Almost two-thirds (2/3) of the Stadium proper within the circular road (through the middle of the Stadium proper and over to the Eastern parking areas)

Portion of Parking Sections 11 and 12

Parcel 4

Northern part of the Stadium One-half of the Bus Lot parking Area & Northern Stands Parking Sections 5, 6, 7, 8, 9, 10 Portions of Parking Sections 4 and 11

Mr. Dellera noted that the southern part of the stadium and a strip that goes up to parcel 4, are not subject to the Deed Restriction, nor are the Upper or Lower Halawa Lots. He further clarified that any event that is staged in the Upper or Lower Halawa Lots or in the southern part of the Stadium, (right outside the main entrance) need not comply with the Federal Restriction. The rules that would apply for those locations are the rules that arise under State law, i.e., is it a public purpose and does it correspond with what the Legislature has established; and also Stadium rules. It's a much broader test.

Mr. Dellera stated although the concerns he had pertaining to the commercial automotive events being held at the Lower Halawa Parking Lots are no longer relevant with reference to the Deed Restriction, the issue is whether they are appropriate events to stage according to the State law, which is something he would like to research further.

Member Klompus inquired as to what State laws would be violated. Mr. Dellera stated that Aloha Stadium was dedicated to the Stadium Authority in 1975 by the Governor and the Proclamation that was issued pursuant to Chapter 171 of the H.R.S provides that public property must be used for a public purpose. He noted that most charities would probably satisfy public purpose if they are bona fide charities, but having a purely private party or a purely private affair, or commercial training of sales staff, selling cars, putting up used car lots out at the Lower Halawa Lot, those sort of things may not be justifiable under the current State Law.

Mr. Dellera said he is confident that the boundaries he traced from the Federal Deed are accurate, but recommended that a professional surveyor or title company be asked to prepare a report that outlines exactly what part of the property is or is not subject to the Federal Restriction, because it might make a significant difference in approving events or in deciding what part of the property to assign to a licensee.

Member Oyadomari inquired if previously denied applicants could reapply in light of this news. Mr. Dellera stated it would depend on whether it served a public purpose and said the Stadium Rules may have to be changed to allow that sort of activity. It is something he will have to research because different agencies have different rules. Member Klompus recommended that this be done soon so that the people can be contacted as soon as possible.

Kapolei Sports Complex

Member Ahina inquired if the stadium still had private property in Kapolei. Mr. Dellera said under the existing law the Stadium is to run the Kapolei Sports Complex. The complex is in the statutes but land was never acquired because the Governor decided there is not a market for Japanese Baseball Tourism. If property is acquired in the future, then presumably the Stadium Authority would supervise it. Comptroller Saito asked if the property is still available, because there is a question as to whether it is on the left side of the road or the right side. He also inquired if Mr. Chan had done any research on that matter. Mr. Chan said he had not pursued it since his initial inquiry but would like to do so in the very near future. He indicated that it is on the Stadium's mission statement to provide a venue to hold some of the spring and winter sports that the Stadium is unable to accommodate. Comptroller Saito volunteered to start a due diligence on the matter.

Permanent Location for Motor Sports

Comptroller Saito reported he has exhausted all efforts to locate a permanent location for motor sports activities. He indicated the only parcel that might have any real possibility is Hawaiian Home Lands, but it is being contested at the present time due to an offer for a land swap

Member Klompus asked Comptroller Saito if it is feasible for the Stadium to consider building a raceway facility. Mr. Saito said at the State Government level it is a philosophical issue that needs to be addressed. It needs to decide if it is a state function or a county function.

Minutes

Member Marcus requested that he be provided with copies of the approved minutes effective July 2006 to the current month. It was confirmed that copies will be provided to all Board members.

B. Stadium Manager's Monthly Report

Mr. Chan reported he was pleased that the major events that took place at the stadium during his absence ran smoothly and were handled very well by his staff.

It has been a busy month - we have had two UH football games since our last meeting. The staff was faced with many challenging issues which were addressed in the best way possible. Some of those situations worked out very well. The results were obvious at the second game with everyone willing to comply with the tailgating rules.

Member Ahina inquired if more HPD officers were hired for the games, having noticed an improvement with the traffic. Mr. Chan replied that the plan was to increase manpower in the major areas whenever a 30,000 capacity is reached. He confirmed that the additional manpower has contributed to the overall success on the roads and is grateful to UH for stepping up to the plate financially to cover some of these costs, which were a major concern. He also noted the traffic flow was tremendous this past week and is pleased to see everything falling in place.

Included in your binders are reports from our staff, who will answer any questions that the Board may have. Also included is the "Schedule of Actual Revenues from Attractions for Fiscal Year ending June 20, 2007," with an additional column to accommodate Member Kathryn Inouye's request, showing a comparison from the previous year.

Member Kay Ahina inquired how are the special funds used. Administrative Services Officer Deborah Ishihara explained that all of the money received from the Stadium events goes into a special fund, which generates the operating revenue to pay for the expenses. Spending of the funds require approval by the Governor and the Legislature.

Mr. Chan introduced the Chief of Security, Andrew Chang, who joined the Stadium on August 31, 2007. Mr. Chang expressed his appreciation to the Stadium Authority and staff for the opportunity and stated he is very proud and honored to represent the Stadium and the people of the state in this capacity is looking forward to working everyone.

Mr. Chan said we did fall short of our commitment - we still have two more positions to fill out of the nine vacancies. We are almost there!

C. UHAD Monthly Report

Assistant Athletic Director, Teri Chang, spoke on behalf of Athletic Director Herman Frazier and Carl Clapp. She thanked Mr. Chan and his staff for the terrific job they did in his absence. Everything went very well at the two home games. Ms. Chang said they did acquire Ford Island and will continue to do so. She thanked Engel for his assistance.

D. <u>Centerplate/Swap Meet Monthly Report (report distributed)</u> Farah Cabrera

Farah Cabrera reported, effective in September they began advertising the Swap Meet in the Oahu Map which is a car rental guide for the tourist industry. With this new exposure, they hope to increase attendance at the Swap Meet.

In September the Volkswagen Club of Hawaii hosted a mini car show at the Stadium Bus Lot with 50 types of Volkswagen vehicles exhibited. The next car show is scheduled for November.

Also in September the Swap Meet hosted the Aloha Milk Cap Slamorama. The same fun POGs game and bouncer rides enhanced the event festivities.

For October, they are planning a stall decoration contest with the vendors and a costume contest for the children. They would like to invite one of the Board members to be a judge for the contest on October 28.

For December, they will be working with the Humane Society to have a "pet meet." Member Klompus volunteered her assistance.

Concession

The first UH football game increased the per capital sales, which proved to be the most successful season starter. With the experience of the first game, Centerplate will continue to make improvements throughout the season to better serve the fans.

E. Hawaii Malls, Inc. Monthly Report

Ms. Ishihara stated Hawaii Malls signed a contract with Servco; they will be installing more banners and exhibiting some of their newer models at the Stadium. They have also extended the State Farm Insurance contract to run two years instead of one.

Member Klompus inquired about the RFP for the advertising contract. Ms. Ishihara stated Hawaii Malls was granted a two-year extension and according to the spreadsheet, the contract will expire in April, 2010.

Member Klompus said she does not know how that happened when the Board specifically said they wanted to have other people bid on the contract. She also stated because the contract was to expire in June 2008, it was her recollection that it was discussed that an RFP was needed by the Fall of 2007. She indicated the Board was never apprised that the contract was extended. Member Marcus said his recollection was the same. He also stated Member Klompus has been focused on this matter for the entire time he has been on the Board.

Chairman Chong Kee stated the extension was given out in January 2007. He also stated it was his understanding that the extension was granted for reasons that if it came up in January or February of this year there wouldn't have been enough time to prepare the RFP by June, so the extension was given.

Mr. Chan said his recollection is the same as what was shared by the Chairman. At that point it was in the best interest for us to move forward. It was also his recollection that this information was shared with the Board.

Member Klompus said this is the first she has heard of this and inquired if other Board members were aware of the extension. There were no comments by other Board members.

Member Ahina inquired if Chairman Chong Kee recalls giving the verbal approval. Chairman stated he did because there wouldn't have been enough time to prepare the RFP. Mr. Chan recalled that it was to give the opportunity to capture as much revenue as we could with the current people that we had on board already. The Board wanted more revenue and more areas to sell; and without an extension, Hawaii Malls would not have been able to accommodate the Board's request.

Member Fong inquired if approval was required by the Board. Ms. Ishihara stated only approval by the Chairman was necessary.

Member Klompus requested that Mr. Dellera look into this matter and report to the Board at the next meeting. Deputy Attorney General John Dellera stated he will do his research and report back to the Board. He mentioned several years ago the Stadium Authority decided that the members are supposed to approve major contracts as opposed to ordinary contracts; but he does not know whether that resolution is valid and will look into it and advise the Board.

Mr. Chan recommended that Mr. Dellera look at the situation as it stands and present his conclusions to the Board at the next meeting in terms of what can be done to move forward.

IV. APPROVAL OF EVENTS

A. Kealoha Productions

Concert – Lower Halawa Parking Lot October 20, 2007 (Saturday)

MR. CHAN STATED THIS EVENT HAS BEEN CANCELLED. NO ACTION WAS REQUIRED.

B. Hawaiian Hurricane, LLC

(Concert – Surfest)
December 29- 30, 2007 (Saturday-Sunday)

Wade Nakashima made his presentation and entertained questions by the Board. Member Klompus stated Hawaiian Hurricane, as well as any other licensee that is holding an event at the Stadium (for profit) must provide their General Excise Tax License Number. Mr. Nakashima said he will comply with that requirement.

Member Ahina was impressed with the estimated revenue from this event and inquired if it would be a sell-out out. Mr. Chan stated these figures are being provided by the clients, who are anticipating a sell-out concert. He also noted that although the clients are reputable, the Stadium is being cautious and have many issues to resolve prior to this event taking place.

A MOTION WAS MADE BY MEMBER KLOMPUS AND SECONDED BY MEMBER FONG TO APPROVE THE EVENT. THE BOARD VOTED UNANIMOUSLY TO APPROVE THE MOTION.

C. Sports Car Club Association

Slalom Events – Lower Halawa Parking Lot January 20, February 16-17 (Sat.-Sun.), March 16, March 30, April 13, 2008 (Sundays)

Troy Morioka, on behalf of Curtis Lee, was present to entertain questions by the Board. Board members inquired and received confirmation by the Stadium staff that no noise complaints were received from the neighborhood on events previously held by this organization.

A MOTION WAS MADE BY MEMBER KLOMPUS AND SECONDED BY MEMBER MARCUS TO APPROVE THE EVENT. THE BOARD VOTED UNANIMOUSLY TO APPROVE THE MOTION.

D. Hula Bowl Collegiate Football All-Star Game

January 12, 2008 (Saturday)

Board members inquired if all financial obligations from the 2007 game have been satisfied. Mr. Chan confirmed that they have and they will also be required to pay an increased amount for the 2008 Hula Bowl. Member Klompus inquired, is Centerplate okay with the serving of those few people?

A MOTION WAS MADE BY MEMBER AHINA AND SECONDED BY MEMBER MARCUS TO APPROVE THE EVENT. ON A VOTE OF 7 TO 1, THE BOARD VOTED TO APPROVE THE MOTION. MEMBER KLOMPUS ABSTAINED.

E. Girl Scouts of Hawaii

Cookie Distribution – Upper Halawa Parking Lot March 6, 2008 (Thursday)

A MOTION WAS MADE BY MEMBER AHINA AND SECONDED BY MEMBER MARCUS TO APPROVE THE EVENT. THE BOARD VOTED UNANIMOUSLY TO APPROVE THE MOTION.

F. <u>Major League Coordinators</u>
Exhibition Baseball Games
March 28-29, 2008 (Friday-Saturday)

Mr. Chan made it very clear before bringing this to the Board that:

- 1. His discussion one year ago was with the previous Acting Manager, Mr. Lum, and was aware at that time that the facility was going to be closed and that he needed to get back to us in a timely manner before we locked it into football configuration.
- 2. He chose to pursue it further so we had to allow him the right to submit his application. I believe the last time we spoke it was clear that he would have to secure the two teams involved as well submit the required deposit.

 Because the facility is locked into football configuration, this is something that has to be brought up to the Board's attention.
- 3. It's been locked and he has been informed and communicated to him.

Minutes of Stadium Authority September 27, 2007 Page 10

Member Klompus said it is out of the question since we voted to lock it into football configuration. Member Marcus is there reason to believe that it is less dangerous to move it back into baseball configuration?

Comptroller Saito stated they have currently decided to do the stiffening of the bridges.

Member Oyadomari fears the cost issue if it breaks down and also the response by the public.

A MOTION WAS MADE BY MEMBER FONG AND SECONDED BY MEMBER KLOMPUS TO REJECT THE APPLICATION BECAUSE THE BOARD IS NOT WILLING TO PUT THE STADIUM INTO A BASEBALL CONFIGURATION. IT WAS VOTED TO BE LOCKED IN A FOOTBALL CONFIGURATION AND THE BOARD SEES NO REASON TO CHANGE ITS DECISION. THE MOTION CARRIED UNANIMOUSLY.

G. High School Graduations

- 1. Radford High School May 30, 2008 (Friday)
- 2. Kapolei High School June 2, 2008 (Monday)
- 3. Campbell High School June 4, 2008 (Wednesday)
- 4. Aiea High School June 6, 2008 (Friday)

A MOTION WAS MADE BY MEMBER OYADOMARI AND SECONDED BY MEMBER KLOMPUS TO APPROVE THE EVENT. THE BOARD VOTED UNANIMOUSLY TO APPROVE THE MOTION.

H. <u>June Jones Foundation – Fantasy Football Game</u> Flag Football Game June 8, 2008 (Sunday)

Mr. Chan stated this event is a part of the children's camp and they are ending it with a clinic at the Stadium.

A MOTION WAS MADE BY MEMBER OYADOMARI AND SECONDED BY MEMBER FONG TO APPROVE THE EVENT. THE BOARD VOTED UNANIMOUSLY TO APPROVE THE MOTION.

- V. UNFINISHED BUSINESS Discussion and Appropriate Action
 - A. Stadium Repair Work Report on the progress of the stadium repair work.

Comptroller distributed Governor Linda Lingle's News Release on the approval of \$12,430,000 for Aloha Stadium Improve- ments and provided the Board with a brief summary. As mentioned in the release, "improvements covered by these funds will include cleaning and recoating corroded steel surfaces; reinforcing the pedestrian concourse bridges to minimize vibration; installing additional handrails in stair walkways to reduce the risk of injury; improving electrical and other existing utilities; and performing preventative structural upgrades and other renovations needed to ensure the stadium's structural certification." With the release of these funds, Comptroller stated they have begun the design process. He also stated they will need access to the Stadium immediately after the Pro Bowl to start work on the bridges.

Member Ahina inquired if additional restrooms were included in the renovation plans. He explained the main concern is not the cost, but finding the space for the restrooms is a challenge.

Mr. Chan thanked Comptroller Saito for his hard work in securing the \$12.4 million after two years, and also with the absence of a Stadium Engineer.

Mr. Chan said we are going to be doing the wind tunnel testing soon as well as the rust corrosion areas.

B. Aloha Stadium Swap Meet – Report and discussion on the progress of hiring a consultant to review the operation and management of the Aloha Stadium Swap Meet.

Chairman Chong Kee stated we will be hiring a consultant to look over the management operations of the Swap Meet and requested a report from Ms. Ishihara. Ms. Ishihara stated the process has started.

Member Ahina inquired about the status of the Strategic Plan. Mr. Chan said it has been very difficult to get everyone involved to meet due to the busy season, but we are moving forward with that project. We will need to send in a letter, requesting for the funding which is a lengthy process.

Member Klompus inquired about the status of the Swap Meet as a result of the new rules that were introduced to the vendors.

Centerplate General Manager Roger Reeves reported everything should be finalized by the end of this month. They had two meetings with the vendors and several of them were not happy with the changes. They all addressed all issues expressed by the vendors and have given them opportunities which were not provided to them in the past. Mr. Reeves said from this point on, they are going to move forward and concentrate on bringing in more people to the Swap Meet. On October 10, 2007, he and Swap Meet Manager, Davy Maruyama, are going to San Jose, Orange County and San Diego to meet with the operators of various swap meets. They hope to return with new ideas to improve the Aloha Stadium Swap Meet. They will report back to the Board at the next meeting. Mr. Reeves said he wants to start doing new things, to bring in the local community as well as those in the tourist industry.

Member Klompus said she was pleased that she and Member Inouye was able to attend one of their meetings and that their decision to move forward is a good one. She noted that Mr. Chan showed good leadership by supporting Mr. Reeves.

VI. NEW BUSINESS - Discussion and Appropriate Action

A. Enforcement of Tailgate Rules and Smoking Policy - Discussion on the enforcement of current rules on Tailgating in the Stadium Parking Lot and Smoking Policy in the Stadium proper.

Chairman Chong Kee stated that as a result of the tailgating problems that occurred at the first UH game, there seems to be a need to review our present procedures and the enforcement of fines, etc.

Mr. Chan stated it may be premature to address this issue now; the reason being, as he speaks to staff members, more situations are surfacing and it is not appropriate to bring it up until all of the facts are available.

He noted they addressed the tailgating situation well at Saturday's game and received the cooperation of many, but the citation policy needs to be updated because the \$5 fine is like a joke to the fans – it doesn't carry much weight. At this point, we are making the Board aware of this matter and we will address it at another time.

Deputy Manager Lois Manin agreed with Mr. Chan that the \$5 fine is an issue and stated they have had several conversations with

Minutes of Stadium Authority September 27, 2007 Page 13

Mr. Dellera; more research is needed. We tried to stay away from the citations this past weekend because there are inconsistencies involved as far as how to issue and what fines to issue. She agreed it was handled well and credited the staff for preventing any major problems.

Mr. Chan said with our Chief of Security Andrew Chang, now on aboard, along with Wackenhut Officer Vinny Browne, there was a noticeable improvement with the handling of security matters at the game. He understands what they are faced with and is happy they are on board.

Mr. Dellera said he looked into the fine situation and up until ten years ago violation of the parking/traffic rules of the Stadium Authority had a fine of up to \$500 and imprisonment of 30 days or both. That was changed ten years ago, leaving it up to the District Court. He was unable to reach anyone at the Court to confirm the current schedule and has written to the Chief Administrative Judge for information.

VII. NEXT MEETING October 25, 2007

VIII. ADJOURNMENT 11:50 a.m.

KEVIN CHONG KEE

Chairman

Recorded by:

Diana Ho

Approval Date:

10/19/07